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SUMMARY RECORD OF THE 4th MEETING

Chairman: Mr. KHAN (Pakistan)

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The meeting was called to order at 3.10 p.m.

AGENDA ITEM 108: PROGRAMME PLANNING (A/C.2/49/2)

1. The CHAIRMAN drew attention to a letter dated 26 September 1994 addressed to him from the Chairman of the Fifth Committee (A/C.2/49/2) concerning the allocation of items to the Committee. In light of his discussions with the Bureau he suggested that delegations wishing to make comments on the revision to the medium-term plan for the programmes of concern to the Second Committee should submit them to him in writing; he would then transmit them to the Chairman of the Fifth Committee.

2. It was so decided.

GENERAL DEBATE (continued)

3. MR. MILLERON (Under-Secretary-General for Economic and Social Information and Policy Analysis) said that the International Conference on Population and Development had achieved remarkable results; the main problem now was implementing the Programme of Action. According to recent figures released by the Population Division, population growth rates seemed to have settled at around 1.58 per cent, considerably lower than the expected 1.73 per cent annual rates registered from the mid-1970s to the end of the 1980s and lower than the 1.68 per cent that the Division had projected for the early 1990s. The Division would continue to monitor that trend carefully in order to determine whether it represented a shift in the global population curve.

4. Turning to other matters, he drew attention to the recent publication by the Statistical Division of the 1993 System of National Accounts - the result of collaborative work with the World Bank, the International Monetary Fund (IMF), the Organisation for Economic Cooperation and Development (OECD) and the Commission of the European Union. Unlike previous work on national accounts, the new system should be universally applicable. It incorporated methods allowing the integration of household work in the overall figures on production of services and placed a special emphasis on the environment, and would enable policy makers to have a better idea of the environmental costs and benefits at the national level.

5. According to the latest report on the world economy, which updated the material in the World Economic and Social Survey 1994, growth was clearly speeding up; the growth rate would be considerably higher than 2 per cent for 1994 and would very probably exceed 3 per cent for 1995. Generally speaking, such growth was export driven in most countries. Although some areas such as sub-Saharan Africa continued to cause considerable concern they, too, had seen some modest signs of improvement. Unemployment remained a serious problem everywhere. In that connection, he urged the Committee to consider the relationship between growth and employment. The broad conclusion of the Survey had been that national and international macroeconomic policies to consolidate economic growth had to be reinforced by measures to increase labour market

flexibility and to provide training to the unemployed, particularly to the young.

6. As far as the debt problem of the developing countries was concerned, he noted that while there was no systemic danger, debt nevertheless remained a serious issue. In his report on the subject (A/49/338), the Secretary-General proposed that, in deciding on the amount of debt reduction necessary, the international community should consider the full stock of debt. That more comprehensive approach should be applied not just to the present debtor countries but to all developing countries that were implementing reforms. The Secretary-General's report on net transfers of resources between developing and developed countries (A/49/309) indicated that such transfers had become largely positive thanks to private capital. However, overall, the situation was highly mixed as a handful of developing countries - including the most populous such as Brazil, China and India - were receiving large net inflows of private capital while most of the others received small or negative net private transfers and remained dependent on official flows. In that connection, countries should be helped to better understand how to attract foreign investment.

7. Mr. MIHALIK (Slovak Republic) said that the integration of economies in transition into the world economy represented a specific issue that was closely related to the concept of world and European economic development as well as to the solution of economic problems that Central and Eastern European countries faced. There was an urgent need for a comprehensive theory or well-designed strategy for coping with the problems of transition from centrally planned economies to a free market economy. The United Nations could play a decisive role in developing that strategy within the new partnership for development of the world economy. The "shock therapy" that had been applied in his country from 1990 to 1992 and in some Central and Eastern European countries had proved not only ineffective but also socially harmful.

8. The new partnership for development should include economic growth and progressive socio-economic changes designed to improve the quality of life. It should also include a comprehensive approach combining assistance, trade, investment and transfer of technology. However, that partnership should also be tailored to the respective stages of development of the different countries in transition.

9. As far as the Slovak Republic was concerned, the "shock therapy" failed, as was evidenced by the sharp decline of 32 per cent in production between 1989 and 1993. The first phase of economic transformation involving the decrease in economic growth and some structural changes had been completed and his country must now embark upon the second phase aimed at sustaining stable economic and social growth. Economic growth could be achieved by more broad-based cooperation and coordination at the European and world levels especially by opening up Western markets to goods produced by countries in transition. Thus, his country had entered into an association agreement with the European Union and was actively preparing for membership. Closer cooperation was also desirable with other countries of Central and Eastern Europe. Indeed, Central Europe could be considered a lever in balancing European stability. Moreover,

cooperation with developing countries offered great possibilities for enhancing the process of transformation and integration of the economies in transition into the European and world economy. He welcomed the strategic framework for action to enhance the integration of the economies in transition into the world economy.

10. Mr. PRONK (Netherlands) said that preparations for the World Summit for Social Development seemed to be faltering; the main problem appeared to be a loss of direction. While it was true that factors such as armed conflict and the environment affected poverty, attention should now be fully focused on poverty, which must be linked to the issues of employment, social security and social integration.

11. Poverty did not affect the developing world alone. Economic transformation in the former communist world was a laborious process with painful side-effects, and poverty and inequality had increased in Western countries as well. Social problems no longer were isolated national phenomena, nor were the solutions to be applied to them. Accordingly, the social problems of the East and the West should be dealt with openly at the World Summit for Social Development in conjunction with those of the South. Due regard must also be paid to the related problems of exploitation and exclusion.

12. Competition in the global market and in domestic markets was becoming fiercer and more extensive. However, many countries without the necessary resources, capital, technology, skilled labour or infrastructure were excluded from the world market; their markets were small and there was little demand for their commodities. Moreover, groups of people within countries, in the South as well as in the North, were left behind in the race towards competitiveness.

13. An orchestrated international approach was needed to ensure that increased productivity was accompanied by increased demand without leading to gross imbalances between countries. Multilateral organizations such as the World Trade Organization and IMF appropriately recognized that trade and monetary cooperation should be pursued with a view to ensuring high levels of employment and real income and promoting effective demand.

14. In the countries of the North, although personal income was high, on average, the challenges of globalization, pressures on the welfare State and increasing rates of migration led to a division of society into those who had good jobs and those who either had poorly paying jobs or were unemployed. It was necessary to strike a balance between reasonable incomes and bearable levels of unemployment. For example, selective, time-limited exceptions to minimum wage requirements in specific sectors could increase opportunities for the gainful employment of specific disadvantaged groups. Alternatively, instead of financing social welfare through charges on wages, it could be financed through charges on all income, through levies on activities that polluted the environment or through a negative income tax. Work must also be provided in the public sector, for example, through jobs assisting the elderly and the infirm, providing security in cities, cleaning the environment and educating the illiterate.

15. Governments must adopt innovative policies to remedy problems such as poor housing conditions and public services and fragmented community structures, by cutting through bureaucratic red tape and empowering people to revitalize their neighbourhoods.

16. In the countries of the South, over 1 billion people lived in absolute poverty. An increase in income inequality threatened the social cohesion of fragile nations, owing to inappropriate development policies, the absence of fair and effective taxation schemes and difficulties adjusting to changes in the domestic economy, reinforced by structural impediments in the global market. In the South, social welfare systems were under severe pressure from migration, urbanization and modernization. The creation of jobs and the reinforcement of social security must be key elements of development strategies to reduce poverty. Labour-intensive development strategies were needed and special attention must be devoted to the informal sector, since only 10 to 40 per cent of the economically active population in Africa, Asia and Latin America was employed in the formal sector. Efforts on behalf of the informal sector should be focused on improving access to credit, technology, training and markets.

17. In many countries, in the East, West and the South, integration into the global economy, economic modernization, transformation and adjustment led to increasing public dissatisfaction with living standards, to increased income disparities and to a serious erosion of security, social relations and values such as solidarity, which in turn led to increased frustration among and decreasing prospects for young people and, potentially, to violence.

18. To counteract the difficulties he had outlined, Governments of the South and the North should integrate social policy with economic and financial policy and set explicit targets in all three areas. High priority should be given to investment in productive social sectors such as education, health and sanitation. Donor countries might undertake to devote a specific percentage of their total aid - for example, 20 per cent - to programmes directly related to basic social services. Aid recipients would in turn allocate an equal percentage of their national budgets to such services. Furthermore, it was important to combine a decentralized allocation of resources with government decision-making to help shape the market and correct its failures and imperfections.

19. The market and the State alike required a democracy in order to flourish. Strong political and societal support, particularly among the middle class, was indispensable to the maintenance of a workable social welfare system. In order to maintain social solidarity, Governments should take care that freeloaders and other cheaters did not undermine the morality of the system and that growing inequality did not make it impossible to bridge the mental gap between rich and poor.

20. The international community should not become embroiled in a conflict pitting jobs in the North against jobs in the South, and should take care that global competition did not proceed at the expense of social gains achieved through economic development. Rich countries must resist the lure of

protectionism, and poor countries must promote social development in tandem with economic development, for example, by reducing child labour. The World Summit for Social Development also should designate an appropriate forum in which to continue discussion of the global aspects of human and social security and to monitor progress in the pursuit of the Summit's objectives. Lastly, the Summit should strive to reach agreement on a common policy for social cohesion in the world as a whole, and on the means to carry out that policy.

21. Mr. FLORES OLEA (Mexico) expressed the hope that the encouraging signs of growth in the world economy would also soon be seen in the developing countries. In view of the increasing interdependence and globalization of the world economy, it was imperative that macroeconomic policies be coordinated so as to encourage more widespread growth. Experience had demonstrated that unless the developing countries also experienced growth, progress in the industrialized countries would prove precarious and political and social unrest were likely.

22. A number of obstacles remained to be overcome. Renewed protectionist measures, particularly in the more developed countries, should be eliminated. The developing countries faced an increasing need for new resources, the deterioration of their terms of trade must be reversed and unstable interest rates must be avoided. It was therefore imperative to demonstrate a renewed commitment to eliminating barriers to the free movement of goods and services in order to promote economic growth, in the interests of creating employment, combating poverty, decreasing migration and promoting sustainable development.

23. Development was essential to international peace and security. His delegation hoped that the proposals on which there had been wide agreement at the high-level segment of the Economic and Social Council in 1994 and the World Hearings on Development would be incorporated in the forthcoming report by the Secretary-General on an agenda for development. He endorsed the five dimensions of development set out in the preliminary report on the agenda (A/49/935).

24. A substantial number of developing countries were participants in the expanding world economy, and trade increasingly showed itself to be a strategic engine of economic growth, development and international cooperation. However, it was important to recognize the dangers of unbridled free trade, and to ensure that market forces proved compatible with objectives relating to education, culture, health, housing and the environment. The involvement of both the private and the public sectors was essential.

25. The implementation of the agreements reached at Marrakesh and the launching of the World Trade Organization would prove crucial; Governments which had not yet done so should ratify the agreements. It was important to avoid attaching conditions to trade that might be used as a pretext for new forms of protectionism. The success of the World Trade Organization would depend largely on how representative, efficient and reliable it proved.

26. His delegation welcomed the Programme of Action adopted at the International Conference on Population and Development and emphasized the importance which his country accorded to population issues in its development

policies. It also hoped that the General Assembly, in endorsing the establishment of the restructured Global Environment Facility, the Declaration and Programme of Action adopted at the Global Conference on the Sustainable Development of Small Island Developing States and the work of the Intergovernmental Negotiating Committee for the Elaboration of an International Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa, would lend them broad political support and provide the means to ensure their full implementation. Much remained to be done, particularly with respect to the provision of financial support and the transfer of technology, to translate the agreements contained in Agenda 21 into reality. Similarly, adequate financial resources were required to enhance the capacity of the United Nations in the economic and social spheres. His delegation would do its utmost to ensure that the agenda for development established the groundwork for the cooperation required to that end.

27. Mr. KHOSHROO (Iran) said that despite technological achievements and increased interdependence among nations, the gap between rich and poor nations continued to widen. He cited statistics underscoring that point and said that the plight of developing countries could be resolved only through a major shift in economic policy-making and a clear commitment and demonstration of political will on the part of the developed countries.

28. Most developing countries had implemented economic reforms on the advice of the developed countries and international financial institutions, but at great social and political cost. The solutions to their problems must be tailored to the situation in each developing country, and appropriate measures should be taken to increase international cooperation through multilateral macroeconomic policy coordination, in order to create a favourable environment for the more active participation of developing countries in the world economy. A common understanding of the difficulties and requirements of the developed and developing countries was needed to permit sustained economic growth and sustainable development and welfare for all mankind.

29. His delegation hoped that the conclusion of the Uruguay Round of multilateral trade negotiations would help to create an open, stable, predictable, equitable and transparent multilateral trading system and increase the access of developing countries to world markets. The introduction of new forms of protectionism, including social clauses, would jeopardize the successful implementation of the agreement reached at the conclusion of the negotiations.

30. His delegation hoped that the revised report of the Secretary-General on an agenda for development would contain more specific, action-oriented recommendations and concrete proposals in the area of international trade, investment, financial resources and technology, with a view to strengthening national capacity-building in the developing countries. No new agreement was needed to foster international economic cooperation; rather, the existing relevant documents must be implemented effectively in order to revitalize and

strengthen the capacity of the United Nations to develop its full potential in the field of international economic cooperation.

31. Mr. SINGH (India) said that while the short-term indicators of performance of the global economy showed several positive features, the problems of poverty and underemployment were still far from being resolved. The probability of sustained current recovery in the industrial countries would be greatly enhanced if the international community could take credible actions to realize the tremendous growth potential of developing countries. The sustained development of developing countries required better terms of trade, enhanced access to markets in developed countries, increased and stable investment flows, access to technology on a non-discriminatory and concessional basis and increased flows of official development assistance (ODA). A critical analysis should be made of how bottlenecks and constraints could be removed and the potential of growth effectively tapped.

32. Further measures were necessary to reduce the debt and debt-servicing burden of the developing countries. Creditors should make concerted efforts to find an early and durable solution to all facets of the debt problem and should be sensitive to the specific requirements of individual countries. Special measures should be adopted to alleviate the burden of debtor countries that had honoured their commitments in spite of difficulties. Low-income countries and countries with widespread poverty would also require special attention. With the increased focus on environment and social development, consideration should be given to debt-for-environment and debt-for-social-development swaps.

33. Such efforts should be supplemented by measures to accelerate private investment flows to developing countries and ensure the wider distribution of private investment across regions and sectors. International financial institutions could consider the use of such instruments as guarantees, co-financing and insurance schemes, and efforts could be made to develop physical and economic infrastructure and human capital that would attract and absorb foreign investment flows. Ways must be found to tackle problems arising from the potential volatility of some private capital flows, which could have destabilizing effects on recipient countries.

34. Most developing countries had adopted market-oriented reforms, liberalized trade and investment regimes and allowed much greater freedom for the private sector to operate. That had made them even more dependent on the vicissitudes of the international economic environment. The United Nations must consider whether adequate efforts were being made to minimize the impact of uncertainty on the economies of the developing countries. In addition, developing countries should be given a greater voice in international macroeconomic policy-making and coordination.

35. It was widely recognized that an open, equitable, predictable, rule-based and non-discriminatory multilateral trading system with enhanced market access for their products would provide greater support for and resource flows to the developing countries. It was therefore important to ratify the agreements reached at the Uruguay Round as soon as possible and provide for the continued

evaluation of the implementation of those agreements and their impact on the developing countries. Attempts to bypass and undermine multilaterally agreed liberalization of trade through recourse to unilateral actions and attempts to use environmental and social concerns for protectionist purposes must be resisted.

36. The international community should agree on an international framework that would facilitate the non-discriminatory access of developing countries to technology, including new technologies, sensitive technologies for peaceful use and environmentally sound technologies, on fair and reasonable terms. There should also be a more transparent, critical and objective evaluation of the restrictions imposed on grounds of alleged "dual use".

37. Human resources development had become a determining factor in any strategy for improving the quality of life in developing countries. The international community should work together to help mitigate the adverse effects of structural adjustment programmes on developing countries, and the United Nations system and the multilateral financial institutions should strengthen their commitment and action in that area. The United Nations should play a greater role in identifying and implementing programmes of action for developing countries. Moreover, it should be borne in mind that there was no single development strategy valid for all societies for all time to come. Each society had to find its own "middle way" suited to its particular circumstances.

38. Ongoing trends in the international system had strengthened the rationale of South-South cooperation as a credible, necessary and viable strategy. Impressive progress made in that area by some developing countries had given rise to complementarities in production and trade. The United Nations system and the international community as a whole should consider how it could make South-South cooperation an effective component of economic development.

39. The Organization's forthcoming work on the finalization of the agenda for development would provide an opportunity to adopt an overall approach to the question of long-term development. The agenda should focus not so much on new terminology or concepts but on ways of removing obstacles to development. In the recent past, there had been a proliferation of new terminology that had not contributed to a better understanding of the development process and had led to the fragmentation of the conceptualization of development. While terms such as "human development", "sustainable development" and "social development" could be of use when applied to a particular process or programme of action, they did not reflect the totality of the development process. They also prevented the development of one focused set of development priorities and objectives and tended to introduce new objectives and conditionalities to guide policy at a time when material resources were scarce.

40. The agenda for development should outline action-oriented measures in the areas of technology, trade, debt, investment and other financial flows and focus on economic growth and development. It must recognize the need for participatory forms of development and should be sensitive to social concerns. It must therefore include: an analysis of the outcome of economic and

environmental negotiations held within the United Nations system; recommendations on specific ways and means of tackling the problem of underdevelopment; an action plan for a partnership for development based on mutual interdependence and shared responsibility rather than a donor/recipient relationship; and methods for networking the relevant departments and specialized agencies of the United Nations system and the Bretton Woods institutions in order to enable them to take part in the joint implementation of the action plan.

41. Mr. AMAZIANE (Morocco) said that while the principles of individual liberty, human rights, free enterprise and cultural and ethnic identity were now universally recognized, and while the end of the cold war had enabled the United Nations to carry out its mission of ensuring international peace and security, the world remained beset with conflicts and border wars and disasters. Moreover, the scaling down of the military industry had had little effect in terms of additional resources for the developing countries. All in all there continued to be much human suffering throughout the world and at times, as in the case of Bosnia and Herzegovina, the international community seemed to be disconcertingly indifferent.

42. In the developing countries, economic growth had exceeded 6 per cent in 1993 and was expected to continue at the same rate in 1994. On average, the developing countries continued to register solid growth while economic activity had stagnated or dwindled in the industrialized countries. However, such expansion had taken place mainly in the newly industrialized countries while in many other developing countries, particularly those in Africa, real per capita income had continued to decline. Moreover, while economic reforms in a large number of developing countries had led to growth and increased flows of private foreign capital, such flows had been confined to a small number of countries.

43. In spite of the commitments that had been made under Agenda 21, flows of official development assistance (ODA) had dropped from $60.8 billion in 1992 to $54.8 billion in 1993. Thus, the ratio of ODA to the gross national product (GNP) of the Organisation for Economic Cooperation and Development had fallen from 0.33 per cent to 0.29 per cent at a time when the international community was encouraging donor countries to meet the target of 0.7 per cent established by the General Assembly in 1970. Moreover, the increase in much needed emergency humanitarian assistance had been at the expense of the requirements of long-term development. The "silent crisis" of underdevelopment should encourage the international community to strike at the root of the problem by adopting a preventive approach, which would be both more human and less expensive.

44. The conclusion of the Uruguay Round of multilateral trade negotiations with the signature of the Marrakesh Agreements in April 1994 had been a welcome development, since they were aimed at establishing the primacy of the rule of law in international trade relations, and his delegation called upon all States to ratify them as soon as possible. Nevertheless, a preliminary assessment proved beyond any doubt that the agreements favoured the interests of the major trading nations. Unless such inequalities were offset by compensatory mechanisms, the agreements would be detrimental to developing countries that

were net importers of foodstuffs, commodity-exporting countries and countries that were heavily dependent on the trade preferences granted by developed countries. Moreover, the commendable progress towards increased liberalization and international trade could be jeopardized if certain developed countries did not abandon their protectionist practices.

45. The external debt burden continued to hamper the development efforts of most countries members of the Group of 77, which had been obliged to undertake structural adjustment programmes to improve their domestic financial situation. The implementation of such programmes had led to increased poverty, social inequality, a deterioration of physical infrastructures and social services for the most underprivileged sectors of the population.

46. At the global level, the external debt crisis of the developing countries no longer threatened the financial health of private international banks. However, it had merely changed in nature, and now consisted largely of official debt and affected, for the most part, low-income countries. The international community should develop and implement adequate and lasting solutions to the new latent debt crisis of the 1990s.

47. The economic, social and political situation in Africa had continued to deteriorate, and the international community had been incapable of halting the continent's increasing marginalization and impoverishment. With 12 per cent of the world's population, Africa had an average per capita income of $300. The continent accounted for only 1.5 per cent of world trade; over the past two years, ODA for Africa had declined by 30 per cent at a time when the continent was faced with 6 million refugees and several million displaced persons, as well as a population growth rate of 3.2 per cent, more than twice its economic growth. Since the beginning of the 1980s, African GNP had steadily declined. Moreover, the continent was racked by bloody ethnic and civil conflicts and wars that had led to unspeakable human suffering. It was time for the international community to carry out an ambitious project that would promote the reconstruction of Africa and put it back on the path of stability, growth and development.

48. The Secretary-General's report entitled an agenda for development had been the subject of the high-level debate in the Economic and Social Council and broad consultations conducted by the President of the General Assembly, who had also organized world hearings on development. His delegation hoped that the Secretary-General would make full use of the contributions of Member States in his preparation of the new report that he would submit to the current session, and that measures would be taken to strengthen the role of the United Nations in the formulation, coordination and monitoring of international economic policies.

49. His delegation welcomed the adoption of the International Convention to Combat Desertification and hoped that the international community would give it the attention it deserved. The restructuring of the Global Environment Facility and the replenishment of its resources would also be a positive step in the implementation of the Rio commitments, in spite of the fact that the agreed resources did not meet the requirements of the developing countries.

50. His delegation was pleased that the United Nations Conference on Straddling Fish Stocks and Highly Migratory Fish Stocks would soon adopt a legally binding universal instrument that would ensure the conservation and sustainable management of those types of stocks.

51. The International Conference on Population and Development had concluded with the adoption of an ambitious programme of action that recognized the indispensable role of women in the success of any sound population policy. The Conference had also proven that any collective exercise must respect cultural, religious and ethical differences.

52. On the occasion of the celebration of the fiftieth anniversary of the United Nations in 1995, the whole world was expecting the Organization to take the necessary decisions to re-establish, in its structures and functions, a desirable balance among its political, economic and social activities. In order to meet the challenges of the twenty-first century, those three pillars of United Nations activities should be accorded equal treatment in terms of financial and human resources.

53. Mr. BAILLARGEON (Canada) said that the forty-ninth session of the General Assembly would be one of consolidation of the achievements of previous years, particularly in terms of the environment and operational activities and the results of the Global Conference on the Sustainable Development of Small Island Developing States and the International Conference on Population and Development. It could also be considered a turning-point, since the Organization's conceptual approach, economic and social agenda and operational priorities would be extensively redefined by the upcoming debate on the agenda for development and would eventually result in overall institutional reform. His delegation was of the view that problems should not be dealt with piecemeal and that the agenda for development should serve as a backdrop for the Committee's work.

54. His delegation welcomed the new coordinating role that had been given to the Administrator of the United Nations Development Programme (UNDP). That role was in keeping with General Assembly resolution 47/199, which favoured the increased harmonization of activities and programmes in the field. Such harmonization should also extend to other areas, particularly at the intergovernmental level where the messages conveyed to one executive board must be consistent with those conveyed to the other boards. Joint board activities should also be planned in connection with programme reviews and sectoral evaluations in the field.

55. Canada would be pleased to host the events commemorating the fiftieth anniversary of the Food and Agriculture Organization of the United Nations (FAO) in Quebec City. His delegation hoped that those events would help raise international awareness of the problems of food security and inspire new approaches to the challenge of providing an adequate food supply for all in the new millennium.

56. His delegation recognized the role of FAO in forestry, which was an essential element that must be considered by the Commission on Sustainable Development in its 1995 review programme. Lastly, his delegation earnestly hoped that a convention on straddling fish stocks and migratory fish stocks would be signed in 1995.

57. The dividing line between the concerns of the Second and Third Committees were becoming increasingly indistinct, if not totally artificial. Population issues transcended the economic and social planes, and the World Summit for Social Development included an indisputable economic dimension. Clearly, the agendas of the two Committees were closely related. His delegation firmly believed that the Second Committee must adopt a global approach to every aspect of its work. The consideration of specific issues should not be limited to just one dimension - economic or social - of the issue. Both dimensions must be dealt with in parallel, as complementary and mutually reinforcing realities.

58. Mr. PÍŠE (Czech Republic) said that the current session of the General Assembly was being held amid many important political and economic events and changes all over the world. The development in the world economy had shown certain positive signs that might herald the end of the period of recession. The conclusion of the Uruguay Round of multilateral trade negotiations would have a positive impact on the overall world economic climate.

59. As one of the successor States of the former Czechoslovakia, the Czech Republic had achieved positive results in the political, economic, social, legal, organizational and institutional fields. The Czech Republic was coping successfully with the complicated period of economic transition. Concrete macroeconomic data indicated that the Czech Republic had experienced economic growth, especially in the private sector, and inflation and unemployment had remained low. A stable economic situation was the key condition for progress, both in the national economy as well as in economic cooperation with other countries. The active balance-of-payments and trade balance in conditions of growing foreign investment flows, along with the stabilized exchange rates of the Czech koruna, were the main macroeconomic features of the Czech economy.

60. The establishment of an effective banking system and the completion of the tax reform should provide a fresh impetus to economic growth. The reform of public finance included not only a new tax system but also a new health and social insurance system. Restructuring of industry, agriculture, transport and telecommunications infrastructure as well as the environment were the basic prerequisites enabling the Czech economy to make a contribution to world economic development. Naturally, the transition was creating more opportunities for its economic partners, including those in developing countries. As its economic transition progressed, the Czech Republic intended to assume its obligations in respect of global development.

61. Mr. ALIOU (Cameroon) said that a number of recent high-level meetings on the subject of economic development had led to a re-examination of priorities and once again highlighted the need for effective and urgent implementation of the United Nations New Agenda for the Development of Africa in the 1990s.

Despite the unsparing efforts of the Office of the Special Coordinator for Africa and the least developed countries, however, Africa's chances for economic recovery appeared to be seriously compromised by the general reduction in official development assistance and a tendency towards disinvestment.

62. The economy of Africa was essentially based on commodities, but the value of commodity exports from sub-Saharan Africa had continued to decline steadily since 1988. That decline, combined with the lack of competitiveness of African production, had led to a drop in Africa's share in world trade. Any viable development strategy must, therefore, include diversification of commodities. He appealed for the early establishment of the diversification fund for Africa's commodities as called for in General Assembly resolution 48/214. External debt was a serious concern of developing countries and required a comprehensive solution involving all categories of debt and debtor countries. Thus far, only piecemeal solutions had been proposed.

63. In the wake of the conclusion of the Uruguay Round of multilateral trade negotiations and the establishment of the World Trade Organization, his delegation had some concern about the negative effects that the Marrakesh agreements could be expected to have on Africa. A full range of complementary measures, including preferential regimes, and short-term financial, food and technical assistance would be needed in order to right the balance of payments and stimulate internal growth.

64. His delegation welcomed the successful conclusion of the negotiations on the International Convention to Combat Desertification and expressed the hope that the Convention, which was to be signed shortly, would be swiftly ratified and implemented. It also acknowledged the spirit of consensus that had prevailed at the recent International Conference on Population and Development.

65. Mr. TEJERA-PARIS (Venezuela) said that developed and developing countries alike were increasingly aware of their shared responsibility for ensuring the growth of the global economy and the sustained revitalization of development. The new commitment to development appeared to have general support, but its chances for success would depend on how successful developing countries proved in gaining access to markets and technology and on innovative solutions to the external debt problem.

66. While countries could start making necessary changes at the internal level in order to strengthen their capacity for sustainable economic growth and development, it was imperative that there be justice and equity in international economic relations. The interrelationship between justice and equity and the importance of taking into account the circumstances of each country could be further clarified during the consideration of the Secretary-General's report on an agenda for development (A/48/935) and during preparations for the World Summit for Social Development. The five dimensions of development identified by the Secretary-General should serve as a foundation and guide to the entire family of United Nations bodies.

67. Given the ongoing efforts to revitalize the Organization in the economic and social spheres, it was particularly important to implement existing agreements for the effectiveness and relevance of the Second Committee and of the Economic and Social Council depended on the political will of members to fulfil their commitments. His delegation looked forward to any further suggestions the Secretary-General might have on the subject. Lastly, he took note of the proposal made by the representative of Brazil regarding the convening of an international conference on development, and urged that it should be given serious consideration.

68. Mr. MONGBE (Benin) said that his delegation was particularly interested in the restructuring and revitalization of the United Nations in the economic and social fields. The recent substantive session of the Economic and Social Council had demonstrated that there were still some problems that needed to be ironed out. It was essential that, in implementing General Assembly resolution 48/162, account be taken of the content of the earlier resolution on the subject, namely, resolution 45/264. Moreover, several years should be allowed to elapse before any attempt was made to determine whether the restructuring had been successful or whether further changes were needed.

69. Turning to the recurring issue of external debt, he said that although the least developed countries had received significant debt relief, much more needed to be done before their debt level would fall to the point where they could initiate sustainable development. He expressed the hope that the Committee's resolution on that subject would address forcefully the question of negotiations concerning the multilateral debt of developing countries, and reminded the Committee of the suggestions which his Foreign Minister had made in that connection in his recent address to the General Assembly.

70. Concerning environment and development, the conclusion of the International Convention to Combat Desertification and the adoption of a programme of action for small island developing States were encouraging signs. It was disappointing, however, that the new and additional financial resources for the implementation of Agenda 21 had not materialized, and that the United Nations Conference on Straddling Fish Stocks and Highly Migratory Fish Stocks had not completed its work.

71. Regarding development and international economic cooperation, his delegation supported the convening of a third preparatory session for the United Nations Conference on Human Settlements (Habitat II) in early 1996. It also strongly hoped that the proclamation of 1996 as the International Year for the Eradication of Poverty along with the emphasis on poverty eradication at the forthcoming World Summit for Social Development would lead to concrete action to promote the aspirations of the millions of human beings currently living in subhuman conditions.

72. Mr. McKINNON (New Zealand) said that prospects for the world economy had improved, in particular through the completion of the Uruguay Round of multilateral trade negotiations, which had opened a new chapter of increased opportunity and growth through trade. Possible delays by some major economies

in ratifying the agreements, resulting from those negotiations, could, however, lead to delays in the implementation of many countries' commitments and a corresponding delay in the establishment of the World Trade Organization. All signatories must give the highest priority to ensuring that the implementation date of 1 January 1995 was met. Ratification represented the beginning rather than the end of the reform process and further negotiation would be needed to address such areas as trade and the environment.

73. A pragmatic approach was needed to improve performance in the economic and social sectors. Instead of seeking to define new world institutional arrangements it would be better to try to increase cooperation between the International Monetary Fund, the World Bank, the World Trade Organization and the United Nations. New interrelationships between groups of countries must be put to use. Faster growth in emerging economies was providing a powerful stimulus to growth in developed countries. At the same time, the growing divergence among developing countries must be reversed to ensure that all countries had an equal opportunity to develop.

74. The United Nations system must respond to the new priorities of the 1990s through a new development paradigm. If the United Nations was to be expected to take on new approaches and responsibilities, efforts should also be made to identify areas in which it could cut back. At an operational level, efforts to improve the delivery of United Nations assistance, building on resolution 47/199, should continue. Recent improvements in the governance of UNICEF and UNDP and the latter's efforts to sharpen the focus of its activities in the field were encouraging developments.

75. His delegation attached great importance to effective follow-up to the International Conference on Population and Development and the Global Conference on the Sustainable Development of Small Island Developing States. The Programme of Action agreed in Cairo was a remarkable achievement, because it addressed population issues in the broader context of achieving sustainable development.

The meeting rose at 6.10 p.m.